PRESS RELEASE

House Armed Services Committee Bob Stump, Chairman

FOR IMMEDIATE RELEASE May 1, 2002

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OPENING REMARKS OF CHAIRMAN BOB STUMP FULL COMMITTEE MARKUP OF H.R. 4547 THE COST OF WAR AGAINST TERRORISM AUTHORIZATION ACT FOR FISCAL YEAR 2003

The hour is late and we have already partially discussed the rationale behind the committee acting on this second bill tonight.

After some brief comments, I will shortly offer a substitute amendment to this bill that represents recommendations that I have worked out jointly with Ike Skelton on items contained in the budget request that we believe are more appropriately funded as part of the "cost of war" component of next year's budget.

As we began to review the budget request, it quickly became apparent that there was a lack of consistency in how items that are clearly related to the war were included in the baseline budget. Accordingly, we determined to identify the extent of this practice in order to bring the budget request into line with the proposal to keep the "cost of war" items contained within the \$10 billion fund established by the Budget Resolution.

Our approach was to include only those items that clearly and specifically fit certain criteria and in all instances could be directly tied to the ongoing war effort. We obviously could have used rather loose criteria and artificially inflated the total amount of items to be transferred into the cost of war account, but instead we decided to ensure that this proposal is based on sound analysis and can withstand scrutiny.

Using these criteria, we developed three main categories of items that we suggest are more appropriate for the cost of war account. First, we included costs that involve replenishing or replacing equipment lines that had been depleted due to the use or loss of equipment in the war. As you will see in the summary before you, this includes items such as JDAMS, bombs, certain types of UAVS and so forth. The proposal is to does not include the entire budget request for these items, only the replenishment costs.

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Second, we closely scrutinized the Administration justification behind many of the proposed increases and found many instances where the budget request was for a one-time increase in activity related to the war or the budget documents themselves identified the purpose as directly tied to Operation Enduring Freedom.

Finally, we included the incremental costs of certain operations, such Noble Eagle which provides a fighter CAP over the United States, and a variety of personnel expenses directly tied to the combat status of many of our forces.

In sum, these are the kind of activities that we normally consider as supplemental requests given that they are directly tied to a particular operation or result in costs above the normal level of budget activity that Department normally accrues on a yearly basis.

I should also state that every item in this category is recognized by the committee to be vitally important and necessary for the Department to continue to wage its successful campaign against global terrorism. Thus, this step in no way represents a negative judgment by the committee on the merit of these requests. Rather, this is merely a question of accounting on which part of the fiscal year 2003 budget should properly carry these activities. Since the committee fully intends to act and move this legislation in a timely fashion once the Administration acts, this step is a temporary detour that we must take given the segmented budget process that has been thrust upon us.

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